

## Internal Revenue Service

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Washington, DC 20224

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Person To Contact:  
, ID No.

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Refer Reply To:  
CC:PSI:B02  
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Date:  
September 26, 2013

### Legend

X =

A =

B =

C =

D =

E =

F =

G =

Country 1 =

Country 2 =

Country 3 =

Date 1 =

Date 2 =

Date 3 =

Date 4 =

Date 5 =

Date 6 =

Dear :

This is in response to a letter dated August 23, 2013, and subsequent correspondence submitted on behalf of X by X's authorized representative, requesting that the Service grant X an extension of time under § 301.9100-1(c) of the Procedure and Administration Regulations to elect to treat A, B, C, D, E, F, and G, which X wholly owns, as disregarded entities for federal tax purposes.

The facts submitted and representations made are summarized as follows. A was formed on Date 1, under the laws of Country 1. X acquired B on Date 2, under the laws of Country 2. C was formed on Date 3, under the laws of Country 3. D was formed on Date 4, under the laws of Country 3. E and F were formed on Date 5, under the laws of Country 3. G was formed on Date 6, under the laws of Country 3. Each of A, B, C, D, E, F, and G is a foreign entity eligible to be treated as a disregarded entity for U.S. income tax purposes. However, X failed to timely file Forms 8832, Entity Classification Election electing to treat A, B, C, D, E, F, and G as disregarded entities for federal tax purposes.

Section 301.7701-3(b)(2) provides guidance on the classification of a foreign entity for federal income tax purposes. Generally, a foreign eligible entity is treated as an association taxable as a corporation if all members have limited liability, unless the entity makes an election to be treated otherwise. If the foreign eligible entity has one owner, it may elect to be treated as a disregarded entity pursuant to the rules in § 301.7701-3(c).

Section 301.7701-3(c)(1)(iii) provides that an entity classification election must be filed on Form 8832 and can be effective up to 75 days prior to the election filing date or more than 12 months after the election filing date.

Section 301.9100-1(c) provides that the Commissioner may grant a reasonable extension of time to make a regulatory election, or a statutory election (but no more than

six months except in the case of a taxpayer who is abroad), under all subtitles of the Internal Revenue Code except subtitles, E, G, H, and I. Section 301.9100-1(b) defines the term “regulatory election” as including an election whose due date is prescribed by a regulation published in the Federal Register.

Sections 301.9100-1 through 301.9100-3 provide the standards by which the Commissioner will determine whether to grant an extension of time to make an election. Section 301.9100-2 provides the rules governing automatic extensions of time for making certain elections. Section 301.9100-3 describes the conditions under which the Commissioner will grant requests for relief that do not meet the requirements of § 301.9100-2. Requests for relief under § 301.9100-3 will be granted when the taxpayer provides evidence to establish that (1) the taxpayer acted reasonably and in good faith, and (2) granting relief will not prejudice the interests of the government.

Based solely on the facts submitted and representations made, we conclude that the requirements of § 301.9100-3 have been satisfied. Accordingly, A, B, C, D, E, F, and G are granted an extension of 120 days from the date of this letter to file Form 8832 with the appropriate service center to elect to be classified as disregarded entities effective on the following dates: A on Date 1; B on Date 2; C on Date 3; D on Date 4; E and F on Date 5; and G on Date 6. A copy of this letter should be attached to the Forms 8832.

This ruling is contingent on X filing all required Federal income tax and information returns (including amended returns) consistent with the requested relief being effective on the relevant dates provided above. Any amended returns should be filed within 120 days of the date of this letter and a copy of this letter should be attached to each such return. Failure to file the amended returns will cause this letter to be null and void. The owners' filing obligations may include those required under § 6038 and the regulations.

Except as expressly provided herein, we express or imply no opinion concerning the tax consequences of any aspect of any transaction or item discussed or referenced in this letter. Section 6110(k)(3) of the Internal Revenue Code provides that it may not be used or cited as precedent.

The ruling contained in this letter is based upon information and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the ruling request, it is subject to verification on examination.

In accordance with the power of attorney on file with this office, a copy of this letter will be sent to X's authorized representative.

Sincerely,

Associate Chief Counsel  
(Passthroughs & Special Industries)

By: \_\_\_\_\_

Bradford Poston  
Senior Counsel, Branch 2  
Office of the Associate Chief Counsel  
(Passthroughs & Special Industries)

cc: